

BEFORE THE  
POSTAL REGULATORY COMMISSION  
WASHINGTON, D.C. 20268-0001

FIRST-CLASS MAIL AND PERIODICALS  
SERVICE STANDARD CHANGES, 2021

Docket No. N2021-1

**RESPONSES OF THE UNITED STATES POSTAL SERVICE WITNESS STEPHEN B. HAGENSTEIN TO DOUGLAS F. CARLSON INTERROGATORIES AND REQUESTS FOR PRODUCTION OF DOCUMENTS DFC/USPS-T3-2, 5-12**

The United States Postal Service hereby provides responses of witness Stephen B. Hagenstein to the above-listed interrogatories and requests for production of documents. Each question is stated verbatim and followed by the response. A motion to be excused from interrogatory DFC/USPS-T3-3 was filed on May 6, 2021,<sup>1</sup> and this motion was granted.<sup>2</sup>

Respectfully submitted,

UNITED STATES POSTAL SERVICE

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May 10, 2021

<sup>1</sup> Docket No. N2021-1, Motion of the United States Postal Service to be Excused from Responding to Douglas F. Carlson's Interrogatory DFC/USPS-T3-3 (May 6, 2021).

<sup>2</sup> Docket No. N2021-1, Ruling No. N2021-1/3, Presiding Officer's Ruling Excusing Postal Service from Answering DFC/USPS-T3-3 (May 10, 2021).

**RESPONSE OF USPS WITNESS HAGENSTEIN TO INTERROGATORIES OF  
DOUGLAS F. CARLSON**

**DFC/USPS-T3-2.** Please provide the clearance time and critical entry time for First-Class Mail parcels.

**RESPONSE:**

Planned clearance time for outgoing First-Class Mail parcels is 01:15 hours.

The critical entry time at destination for First-Class Mail parcels is 20:00 hours.

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**DFC/USPS-T3-5.** Please provide the clearance time for outgoing Priority Mail parcels.

**RESPONSE:**

The planned clearance time for outgoing Priority Mail parcels is 01:15 hours.

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**DFC/USPS-T3-6.** Please describe the processing network for First-Class Mail parcels to the extent that the facilities that process First-Class Mail parcels differ from the facilities that process First-Class Mail letters and flats. In your response, please list the facilities that process First-Class parcels that do not also process either letters or flats and indicate the ZIP Code areas that these facilities serve.

**RESPONSE:**

Due to the size and processing capability of the Postal Service's automated letter sorting equipment, there are more processing facilities responsible for processing letters than those responsible for processing packages. A total of 168 Automated Area Distribution Centers (AADCs) service the entire country. 147 Area Distribution Centers (ADCs) process First-Class Mail parcels for the entire country.

Please see USPS-LR-N2021-1-7,Q6 – AADC\_non\_AADC.xlsx for the list of facilities that process First-Class parcels but do not also process either letters or flats and the ZIP Code areas that these facilities serve.

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**DFC/USPS-T3-7.** Please describe the processing network for Priority Mail and identify the facilities that process Priority Mail and the ZIP Code areas that these facilities serve. Please also identify differences between origin service areas and destination service areas for these facilities.

**RESPONSE:**

Priority volume is processed in Originating Processing and Distribution Centers on package sorting equipment, flat sorting equipment, and manual sortation operations.

The origin facility will sort to the required separations according to the National Distribution Labeling List (NDLL). Smaller packages for air destinations are sorted into sacks. Sacks, larger Non-Machineable Outsides (NMOs), and any Priority trays for air destinations are scanned and assigned to the air network, then containerized to the appropriate separation to the respective carrier and staged for dispatch to the Terminal Handling Service. Surface lanes are sorted into containers, then staged for dispatch.

At destination, the processing site will open or empty all sacks and containers and processes the volume to the 5-digit offices, hubs, and downstream destinating SCF(s), if applicable. Any containers flowing to a downstream hub or SCF will be sorted to the 5-digit office prior to dispatch.

The delivery office sorts the container to the respective carrier routes prior to delivery.

Please see file "Q7 – Priority Processing.xlsx" for the facilities that process Priority Mail and the ZIP Code areas that these facilities serve.

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**DFC/USPS-T3-8.** Please refer to your testimony at page 13, lines 16–19. Please explain why some processing facilities cannot meet the 02:00 clearance time, and please explain whether consolidations of outgoing mail processing into those facilities from other facilities that processed outgoing mail in the past are a factor in the inability of some processing facilities to meet the 02:00 clearance time.

**RESPONSE:**

The time needed for the various sequenced steps that make up processing mean that some facilities have difficulty meeting a 02:00 dispatch time. Since February, the percentage of outgoing secondary volume cleared by 00:30 on a weekly basis was less than 83%. After outgoing secondary operations clear, manual processing and dispatching operations must clear. Manual operations can lag behind the outgoing operations by approximately 60 minutes. Large facilities typically have mechanized tray transport equipment that move volume from single-piece sortation operations to the tray sortation equipment, and from the tray sortation equipment to dispatch operations. Tray systems can become bottlenecked during dispatch time when all of the outgoing machines dispatch volumes in a limited window. Some facilities require 90 minutes to clear the mechanized tray lines and tray sorters. Some facilities have been forced to implement special parallel processes to manage destinations with early dispatches, keeping trays out of mechanized equipment.

For efficient transportation, when possible both packages and mail are dispatched on the same transportation. Package processing capacity constraints due to package growth is another factor inhibiting dispatching by 02:00 hours. The planned clearance time is 01:15 hours, and, since February, the percentage of volume cleared by 01:15 hours on the package processing equipment is less than 89 percent nationally. This

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does not account for non-machinable volumes that are typically finalized after the machines are finished processing. Consolidations of outgoing volume are a factor in some processing facilities' ability to meet the 02:00 dispatch time, but not the primary factor.

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**DFC/USPS-T3-9.** Please provide a list of Surface Transportation Centers and the ADCs, SCFs, or other facilities that each STC serves.

**RESPONSE:**

Please refer to USPS-LR-N2021-1-7, Q9 – STCs.xlsx.



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**DFC/USPS-T3-10.** Please provide, separately, the percentage of the volume originating at the following P&DCs for which the First-Class Mail service standard will increase by one day, two days, and, if applicable, three days:

- a. Boston MA
- b. New York NY
- c. Miami FL
- d. Houston TX
- e. Chicago IL
- f. Seattle WA
- g. Portland OR
- h. San Francisco CA
- i. Los Angeles CA
- j. Honolulu HI
- k. Anchorage AK

**RESPONSE:**

Please refer to the charts below the percentage of the volume originating at the above P&DCs for which the First-Class Mail service standard will increase by one day, two days, and, if applicable, three days:

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	Service Standard				
	Current 2 Day		Current 3 Day		
	Proposed 2	Proposed 3	Proposed 3	Proposed 4	Proposed 5
Facility Name	Day	Day	Day	Day	Day
Boston MA P&DC	88%	12%	31%	45%	24%
Carol Stream IL P&DC	90%	10%	58%	34%	7%
Los Angeles CA P&DC	96%	4%	11%	21%	67%
Miami FL P&DC	80%	20%	31%	56%	13%
Morgan NY P&DC	91%	9%	42%	36%	21%
North Houston TX P&DC	63%	37%	25%	71%	3%
Portland OR P&DC	90%	10%	16%	25%	59%
San Francisco CA P&DC	98%	2%	52%	10%	38%
Seattle WA P&DC	89%	11%	25%	28%	46%
Grand Total	86%	14%	27%	37%	36%
	Service Standard				
	Current 2 Day	Current 3 Day	Current 4 Day	Current 5 Day	
	Proposed 2	Proposed 4	Proposed 5	Proposed 5	
Facility Name	Day	Day	Day	Day	
ANCHORAGE AK	100%	100%	100%	100%	
HONOLULU HI	100%	100%	100%		

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**DFC/USPS-T3-11.** Please refer to Figure 8 on page 26 of your testimony. Please provide the origin-destination pairs that comprise the 34 percent of origin-destination pairs for which the mail would travel by air if the change in service standards that is the subject of this docket is implemented.

**RESPONSE:**

Please see the Excel spreadsheet filed under seal within USPS-LR-N2021-1-NP4.

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**DFC/USPS-T3-12.** Please identify the reasons why First-Class Mail fails to be delivered within the service standard and the approximate proportion of the failures that each reason causes.

**RESPONSE:**

Please refer to USPS-LR-N2021-1-7, Q12 – Top service impacts – root cause – FY20.xlsx.